UNITED NATIONS
ECONOMIC
AND
SOCIAL COUNCIL

GENERAL

UNESCO/SS/CONF.URB/6
E/CN.11/URB/6
4 July 1956

ORIGINAL : ENGLISH

UNITED NATIONS EDUCATIONAL,
SCIENTIFIC AND CULTURAL ORGANIZATION

JOINT UN/UNESCO SEMINAR ON URBANIZATION IN THE ECAFE REGION

Jointly sponsored by the United Nations Educational, Scientific and Cultural Organization, the United Nations Bureau of Social Affairs and the Secretariat of the United Nations Economic Commission for Asia and the Far East, in co-operation with the International Labour Office

8-18 August 1956
Bangkok, Thailand

PROBLEMS OF MANPOWER AND PRODUCTIVITY

Prepared by the International Labour Office

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1. This paper falls into two parts. The first part describes some of the human and social problems associated with the movement of people from the country to the towns in the ECAFE region, and discusses certain short-term and longer-term measures in the field of manpower policy (notably training and employment market organization) which may help towards a solution of these problems. Important as they are, however, such measures need to be devised and applied as integral parts of more general policies aiming at economic development and higher levels of employment and productivity. These more general problems are discussed briefly in the second part of the paper.

2. In his report to the 39th session of the International Labour Conference the Director-General of the ILO included a chapter discussing problems of rural and urban employment and the relations between them.[1] Copies of this report have been distributed to participants in the Seminar along with the present paper, and reference is made to it at various points in this paper.

Part I - MANPOWER PROBLEMS

Introduction

3. The method of approaching and solving problems relating to the employment, qualifications and training of persons coming from rural areas or villages to the towns[2] must necessarily vary according to the objective in mind. Insofar as the process of urbanization is considered inevitable and irreversible the measures to be envisaged will seek to integrate the new population groups as quickly and efficiently as possible into urban living and working conditions. If, on the other hand, it is considered desirable and feasible to try to counteract the process of urbanization, efforts will be directed in the first place to limiting the movement of rural population groups to the towns by creating a new equilibrium between the urban and rural economies while at the same time endeavouring to promote the

/assimilation

1/ International Labour Conference, 39th session, Geneva, 1956, Report I: Report of the Director-General (ILO, Geneva, 1956), Chapter II.

2/ Reasons for this townward movement, which is usually unorganized and haphazard in character, are not examined in this paper. But see ILO: Report of the Director-General, op.cit., pp.61-65.

assimilation of the new population groups in the towns. Efforts may also be made to decentralize the urban economy in the sense of encouraging the growth not of a few giant cities but of a larger number of market towns centred upon small-scale and handicraft trades and industries. Such a policy seems to have been adopted by many Asian governments.

4. Whatever the degree of decentralization aimed at, problems of adapting the population to new methods of production arise. It is characteristic of workers who are abruptly transplanted from rural to urban areas, particularly if (as is frequently the case in the ECAFE region) the transition is from a more or less primitive subsistence economy to a technologically more advanced exchange economy, that they lack stability, that they have no training for or experience of industrial work, and that their productivity is very low.

5. These characteristics are, in large measure, the result of their rural origin. Often under-nourished, without education, and having had very little previous contact with the outside world, the rural worker commonly uses outmoded tools and is completely ignorant of the techniques which would allow him to increase the productivity of his land. At the mercy of natural phenomena such as floods and droughts, of demographic pressure on limited areas of cultivable land or of the exactions of landlords or money-lenders, he probably has little understanding of the nature of the forces which drive him to the town. When he comes to the town he has the greatest difficulty in understanding the concepts and importance of time, quality, space and dimension current in a technical civilization, and as a result has difficulty in adapting himself to the industrial routine and discipline. He finds the rhythm of industry difficult to follow and is puzzled by the piece-meal nature of industrial work. He is in the habit of completing his work and not of interrupting it after a fixed number of hours. The effort of concentrated and prolonged attention is extremely fatiguing to him. To the above may often be added other difficulties resulting from ignorance of the official language, since the worker who has come from a tribal or rural area generally speaks a dialect. This combination of factors explains the magnitude of

/the problem

the problem of adjustment and the difficulty of conveying vocational knowledge even of an elementary nature to the new arrivals. The low productivity and the lack of qualifications of the manpower are cited as justifications for maintaining wages at an extremely low level, and also help to explain why industrial production and techniques have not developed further. As there is frequently an over-abundance of manpower on the labour market, the advantages of improving the skill and qualifications of the worker are not always recognized, any more than are the advantages of improving the industrial equipment and production techniques. On the contrary, such changes may even seem detrimental since they would appear to deprive a large number of workers of their jobs.1/

6. These characteristics, moreover, tend to persist as a vicious circle. Lacking stability and qualifications for industrial work, these workers are difficult to assimilate; failure to assimilate them means that they continue to lack stability and industrial qualifications. The main purpose of Part 1 of this paper is to consider measures which may be adopted in the field of manpower policy with a view to breaking out of this vicious circle and converting this untrained and unorganized manpower into an adequately skilled and diversified labour force, adapted to the requirements of urban and industrial life and able to take advantage of the scope for social and economic progress which industrial development can provide. Policy measures must of course take account as fully as possible of the characteristics and requirements of the workers concerned, who include women and juveniles as well as men; some account of these characteristics and requirements is therefore given in the following paragraphs.

General Characteristics Leading to Instability, Lack of Skill and Absenteeism among Newcomers to Urban Labour Markets

7. Some of the rural inhabitants who leave their villages only go to the towns for brief periods in order to earn money which they may have few opportunities of earning in rural areas where a subsistence economy still predominates. Improvements in communications are making such movements more frequent. Most often this category of worker leaves his family behind in the village but maintains close touch with it, thus retaining

/his feeling of

1/ But c.f. paragraphs 31 and 32 below.

his feeling of belonging to the rural community. In India, for example, the greater part of the unskilled labour employed in the Bengal coal mines and in the mica mines consists of native workers who have kept up either wholly or in part their tribal way of life. Once a month, or more frequently, they return to their villages to attend festivals or look after their land. After a short period of work in an industrialized or urban zone this category of worker returns to his village in the hope that his recent small savings will enable him to take up his agricultural life with greater possibilities of success. But in many cases he soon realizes that his hopes will not be fulfilled and he returns to the town. There results a continual drifting back and forth between town and country of unstable and untrained manpower. Industry suffers from high labour turnover and such absenteeism; agriculture may suffer, particularly in areas where there is not a large labour surplus, from the sporadic absence of able-bodied cultivators; and the worker himself loses time and money on his journeys and fails to establish himself either as a peasant or as an industrial worker. A study of absenteeism undertaken in India noted that "the basic cause of absenteeism in India is the fact that the industrial worker is still part-time peasant and until he cuts his connection with the soil his attendance will be irregular and his adjustment to modern industrialism insecure".[1/]

6. Instability and absenteeism are increased by the often deplorable living conditions in the urban zones. A vast and sudden influx of workers from rural zones creates many problems: over-crowding, lack of sanitation and slums make for ill-health which is another cause of absenteeism.

9. Yet another cause of instability is the fact that since the workers who come from the rural areas are often too numerous to be absorbed into the town economy, many do not succeed in finding work or find only casual employment. Driven by circumstances to change jobs frequently, they never become fully integrated into the urban economy and many of them engage in all sorts of trades and occupations, e.g. those of boot-blacks and pedlars, requiring no real qualifications nor any

/adjustment to

1/ Summary of a statistical study of absenteeism among Indian labour which appeared in the Indian journal of statistics Sankhya, quoted by the Director-General of the International Labour Office in Report of the Director-General, op.cit., pages 66-67.

adjustment to modern techniques and conditions of work and production. Table 1 shows the high proportion of workers in certain countries, such as the Federation of Malaya and Pakistan, engaged in services as compared with the workers engaged in industry; many of the service occupations make little or no contribution to economic growth or progress, and provide good examples of the vicious circle referred to above. Because of their instability, the workers cannot acquire even the most elementary training; lacking such training this manpower cannot settle down.

Table 1

Structure of the Economically Active Population
(Distribution by Branch of Economic Activity)
(thousands)

	Agriculture, etc.[a]		Industry, etc.[b]		Services[c]	
	Number	%	Number	%	Number	%
India, 1951	71,809	70.6	11,312	11.1	18,636	18.3
Japan, [d] 1950	17,220	48.4	9,420	26.5	8,940	25.1
" 1954	18,060	45.2	10,630	26.6	11,250	28.2
Malaya, 1947	1,228	64.5	184	9.7	489	25.7
Pakistan, 1951	17,125	76.5	1,636	7.3	3,631	16.2
Philippines, [d] 1948	4,875	71.3	739	10.8	1,227	17.9
Singapore, 1947	29	8.1	121	33.9	207	57.9

a/ Agriculture, forestry, fishing and hunting.

b/ Mining and quarrying, manufacturing, construction, electricity, gas, water and sanitary services.

c/ Commerce, transport, storage and communication, other services, and activities not adequately described.

d/ Population in gainful employment.

Source: Computed from ILO Year Book of Labour Statistics, 1955, Table 4.

 Far from

10. Far from improving, the situation often worsens when the ties which bound the new arrival to his native village break down and when all or part of his family comes to the town. The head of the family alone usually does not manage to provide adequately for it. As a result, other members of the family try to supplement the family income, thus encumbering to an even greater extent the occupational field of small trades and services and adding to the number of unskilled industrial workers seeking jobs. This aggravates the unemployment and under-employment situation. In addition, the conditions under which children, adolescents and very often women are employed, may tend to make for a lowering of labour standards generally and to perpetuate the unhappy economic and social situation of the rural immigrants in the urban zones. The willingness of children and adolescents to accept low rates of pay makes it more difficult for adult workers to get jobs in occupations in which juvenile labour can be utilized as a cheap substitute. In the same way, female labour in certain occupations tends to undercut male labour.

11. There are, in addition, other problems relating to the employment of children, adolescents and women which deserve special attention.

Problems relating to the Employment of Children and Adolescents

12. Children and young persons who leave the village during the years of adolescence are likely to carry with them ineradicable traces of the rural tradition. Like their parents, they will probably experience considerable difficulty in adopting new methods of work and new behaviour patterns, and will be likely to be deeply influenced by country superstition and folk-lore in their personal conduct and in their contacts with their fellow workers. Like their parents, they will probably consider themselves at a social disadvantage as compared with more sophisticated elements in the urban population. In the field of employment such young persons are likely to observe the rural tradition whereby their role in the economy is principally that of casual or seasonal workers. This will mean that they will have little comprehension of the long-term possibilities of systematic training and of promotion; and also that the duration of their service will tend to be voluntarily interrupted whenever the accumulation of earnings is sufficient to allow for several weeks or months of idleness.

/13. City-born

13. City-born children of country people, and children brought to the city at a very early age, have a better opportunity to adapt to a metropolitan way of life. Broadly speaking, they are less dependent on their families than are adolescent immigrants for emotional security and social guidance. They are, therefore, more likely to abandon traditional customs or ways of thought.

14. While peasant children, like city children, are usually employed at an extremely early age, there is a radical difference in their conditions of work. While the former almost invariably work for their parents, or under their direct supervision, the labour of very young children in the city is hired to strangers, and the organization of their work is usually such as to exclude even indirect parental surveillance. Thus, conditions are created for the exploitation of child labour in mills, factories and workshops. Much has been written on the effects of the premature employment of young workers; here it must suffice to mention the dangers of a permanent debilitation of health, leading to a weakened and apathetic adult labour force in the next generation.

15. Two exceptions exist to the lack of parental supervision of children's employment. Many factories distribute to children - some of whom are resident in the urban neighbourhood of the factory, but many of whom come regularly from distant villages - materials, the processing or finishing of which is intended to be carried out at home. Also, in an urban society where economic pressures are so intense that many mothers are compelled to seek employment outside the home, the factory, the building site or the coal mine is often the only nursery that can be provided for small children. Such children are regularly taken to their mother's place of employment, sometimes as a matter of convenience and sometimes as unpaid helpers in the mother's work.

16. In both instances, a twofold danger is apparent. Even where labour legislation has been introduced, children may fall outside the scope of legal protection; and, furthermore, the demarcation between leisure and work tends to be obliterated, so that all the child's activities tend to centre upon his work.

/17. It is,

17. It is, however, not only in industrial undertakings and small workshops that the health of young workers is endangered. Domestic service is only one example of non-industrial employment in which children, particularly the children of peasant immigrants, are frequently underpaid and overworked.

18. Many of the city trades to which young workers are attracted - such as street trades of all kinds, and employment in taverns, cabarets and similar places of entertainment - present obvious dangers to the health and safety of young persons, and make them vulnerable to anti-social influences of every kind.

Women in the Labour Market

19. Many if not most of the women who leave the country for the town enter the labour market.[1/] There are many reasons for this. As already indicated the family income is often below subsistence level because of the unemployment or under-employment of the men of the family, the low wages paid to the men, and the burden of their family responsibilities; besides children, parents and other relatives either still in the village or sharing the town living quarters may also have to be supported. Again many women are widows or separated from their husbands and must undertake alone the role of providing for their own needs and for those of their children or aged relatives. Expenditures on traditional festivals and rites and the payment of portions and dowries to sons and daughters further increase the burden on a low income. Finally, the desire of many mothers to give their children a better chance in life than they themselves have had, and particularly a better education, is another factor which drives women to undertake gainful employment.

20. It may be added that women coming from rural areas are for the most part traditionally used to sharing in the work, and by working in the fields, through handicraft activities, and in other ways,[2/] to contributing to the subsistence of the family and community. It is therefore on the whole natural to them to continue this situation when they come to the towns and to contribute to the family income by undertaking remunerative work.

/21. If the female

1/ For statistics of the number of female wage-earners and salaried employees in the countries of the ECAFE region, and their distribution among the different branches of economic activity, see ILO Year Book of Labour Statistics, 1955, (Geneva, 1955), table 4.

2/ The traditional economic role of women in certain Mahommedan communities is more restricted.

21. If the female labour force in most of the countries in Asia, particularly in India and Ceylon, consists in very large measure of adult married women, of widows or of women deserted by their husbands and with family responsibilities, rather than of young girls, this phenomenon is readily understandable when considered in the light of the above circumstances and when account is taken of the custom of marrying at an early age, a practice particularly prevalent among the lower income groups. In Japan, it is true that young country girls are recruited to work for several years in the textile mills in the towns. Once the period contracted for has been terminated the girls usually no longer wish to return to the village where the conditions which drove them to seek employment in the towns are not likely to have changed. A fair proportion of these girls join the ranks of the women seeking jobs, either because of the appeal which the town holds for them, or because they hope to make a good marriage there, or simply because they wish to find employment. In the other countries in Asia, it appears to be mostly among the second generation of town-dwellers that girls, marrying at a later age, seek a job as soon as they are old enough to work.

22. The women who enter the labour market are often illiterate and have no skills or training. In seeking gainful employment they enter in various occupations into competition with men who suffer from the same deficiencies, but who benefit from various more favourable social and cultural factors. In most countries of the region women represent as yet only a fairly small minority of the workers engaged in industry. This is especially true in Pakistan. In the Philippines, however, there were in 1948 128,000 female wage-earners in manufacturing, as compared with 203,000 males and in Japan in 1954 there were 1,480,000 females as compared with 3,370,000 males. As compared with 1950, female wage-earners in manufacturing in Japan increased by 240,000, or nearly 20 per cent, while males increased by 200,000 or just over 6 per cent.[1] Throughout the region, most of the women employed in industry are engaged on unskilled manual work or are taken on as helpers, such work being the least remunerative.

/At best

1/ ILO: Year Book of Labour Statistics, 1955, loc.cit. The figures include salaried employees as well as wage-earners.

At best they are engaged on semi-skilled work in a few fields (e.g. textiles). On the other hand they are to be found in quite large numbers in the building trades, on road construction work and other civil engineering works and among the dock labour in ports, engaged on work which requires no skill but which does exact a certain degree of physical endurance which is often unsuitable for women, particularly when one considers the conditions under which it is performed.

23. Nevertheless it would not be right to emphasize only the negative aspects of urbanization insofar as the feminine element of the labour force is concerned. If the women succeed in overcoming the material difficulties and the discouragement which characterize the first stage of their establishment in the large urban centres and which may force them to accept any kind of work which offers, somewhat better opportunities may follow. The women who have lived in towns since their earliest years or who have been born in a town usually have better chances of benefiting from these possibilities than newcomers from the rural areas, because the former are better adjusted to the conditions of urban life and because their level of education is on the average higher. The process of urbanization has brought about tertiary activities which lead to an increase in the employment possibilities open to women - in service industries and (for women with high enough qualifications) in such fields as nursing, social work, teaching and, to a certain extent, office work. Finally, it is undoubtedly true that the rapid growth of large urban centres has played an important role in the emancipation of women in Asia. Economic conditions have directed a large number of women into employment and as a result have speeded up their adjustment to modern living conditions and widened their horizons.

24. It must be admitted, however, that such over-all advantages have been purchased at an extremely high price and that the situation of most of the women who have left the countryside for the towns and have tried to obtain a livelihood by their own work remains very precarious.

Remedial Measures in the Field of Manpower Policy

25. The low productivity and lack of qualifications of the new workers in the towns, whether men, women or juveniles, constitute obstacles not only to the improvement of the economic and social situation of the workers themselves, and of their working conditions but also to the growth of production and the economic progress of the country. It is clear that unless appropriate measures are taken to guide the flow of such manpower and to improve its quality, there is every reason to believe that this state of affairs will continue for a very long time.

The following paragraphs are devoted to measures which are being taken or planned in some of the Asian countries with a view to meeting these requirements.

1. Short-term Measures

(a) Publicity Campaigns. One of the means likely to affect directly and relatively rapidly the exodus of rural populations towards the towns is the diffusion of reliable official information concerning the real prospects of employment and the working conditions in the towns, and also the skills required for the different types of jobs available there, particularly in industry. Such publicity campaigns may have two objectives. On the one hand they can slow the rural exodus by indicating the precarious situation which will be the lot of job-seekers who are ill-prepared for working in the towns. Secondly, they can try to direct the flow of migrants towards well-defined employment fields. In both cases, however, the campaigns need to be carefully prepared and carried out and to be based on an integrated programme of measures all aiming at a rational organization of the employment market. This point will be referred to again below.

(b) Initiation into Urban Working Conditions and Accelerated Vocational Training. No matter what results are obtained with the help of publicity campaigns, other measures must be taken simultaneously to facilitate and accelerate the assimilation of peasants who, having cut themselves off from their former rural employment, are in the process of installing themselves

/in urban

in urban areas. Here again it is possible to achieve comparatively speedy results through action aimed simultaneously at stabilising the newly-arrived migrants through appropriate social measures[1] and at initiating the industrial workers coming from non-urban areas into the conditions, rhythm and skill requirements of factory work. This initiation should also include, where applicable, elementary teaching in the language in which the workers are expected to receive their orders and working instructions.

Side by side with such a systematic elementary initiation programme provided to as large a number of workers as possible, it is also desirable that accelerated vocational training courses should be given at a centre or at the factory for the benefit of those workers who show the greatest aptitude for the work. This type of training has already been put into operation in several countries in Asia. It has shown itself particularly valuable in respect of workers between the ages of 17 and 20 years who have never before received any technical training. Provided the programmes and methods are judiciously adapted to the level and the type of knowledge of the trainees, accelerated training courses of eight to ten months' duration can, in spite of illiteracy and deficiencies in fundamental education, enable the workers to acquire useful technical qualifications. If this action is to show appreciable results it must be carried out on a large scale. Moreover by its very nature such action imposes a heavy burden on the public authorities and in some cases on the heads of the undertakings also. Nevertheless this expenditure is in the long run less crippling and more productive than the financial burden which unemployment, underemployment, low productivity and the deficient level of skill of most of the workers together place on the national economy. Under the Expanded Technical Assistance Programme, the ILO has assisted and is assisting a number of Asian countries in the introduction and development of this type of training.

/2. Long-term Measures

1/ In particular measures aiming at improving the welfare of the new job-seekers and their families, including measures to improve nutrition, housing and hygiene.

2 Long-term Measures

Short-term measures alone will not suffice to solve the long-term problem of underemployment and lack of qualifications of the rural population.

Among longer-term measures which may be taken by public authorities with a view to improving the productivity and the employment possibilities of all sectors of the labour force, the following would seem to be of special importance:

(a) Rural Schools. The development and reorientation of the rural primary school system is a basic condition for economic progress. By substituting school programmes providing prevocational preparation and elementary technical training, judiciously combined with a general education programme, for the traditional primary school education, it is possible to prepare the way for modernization of agricultural methods, which is a prerequisite for increasing agricultural production. At the same time such programmes provide a better basis for future employment in industrial occupations available in rural areas, as well as for possible employment in the towns. This more practical type of education is of benefit not only in less developed rural communities, but also in rural communities which have attained a more advanced stage of development. Through it, in fact, it is possible to take into account the needs of the children and young persons living and expecting to earn their livelihood in the country, while at the same time facilitating - by giving a certain degree of elementary technical knowledge - the subsequent adjustment of those who may go to live in the towns. In addition, it helps to avoid a situation which, in many countries, has resulted from transplanting into a rural milieu, without modification, the traditional primary school system directed mainly or exclusively towards a certificate or diploma. Young persons who have acquired such diplomas are inclined to look down on manual work and often swell the number of unemployed persons and of workers maladjusted to their employment.

/Insofar

Insofar as the adult rural population is concerned, the introduction of educational programmes closely combining general education and initiation into basic agricultural techniques is also to be recommended. It is today recognized that in order to allow a co-ordinated development of the national economy, action in the field of education must be directed towards all members of the rural community. Such action is particularly necessary in the case of the very poor and the less developed communities. In all cases, however, it seems desirable to combine instruction in agricultural techniques and handicraft trades with action to combat illiteracy. Such an educational programme can also bring about a general improvement in rural living conditions by providing the basis for the development of social services and improvements in hygiene and means of communication. At the present time India is putting into operation, within the scope of her Five-Year Plan, a programme of this type. It is designed to aid in solving the problems of rural life by improving agriculture through teaching the peasant how to take care of and repair simple agricultural implements and through developing the general educational system. In the same way, in Ceylon the curriculum of the domestic science schools for girls in the country regions includes domestic work, hygiene, nursing and handicrafts, as well as agriculture and other farm work.

(b) Town Schools. The flow of rural population towards urban and industrial centres increases the urgency of multiplying the number and capacity of the primary schools and the vocational training facilities available for young persons in the towns. In order that the national economy may as soon as possible have a sufficiently diverse and skilled supply of manpower, it is necessary also to adapt the curricula and the teaching and training methods used to the present conditions and needs of the children attending the schools. What has been said above concerning the rural schools is even more applicable in the case of the urban schools. Manual work and an education programme judiciously directed towards preparation for industrial techniques and the various occupations practised in towns, offer a means of equipping the children for their future employment possibilities in

/the urban areas.

the urban areas. In addition, the school is potentially a community centre which can provide information about jobs and prospects for young workers intending to take up a trade and can also become a centre of community activities and leisure time occupations, thus contributing materially towards the removal of parochial prejudices and towards the integration of village elements into a composite urban society.

Efforts to expand the urban school system need to be supported by measures to make school attendance compulsory wherever a sufficient number of schools and teachers can be provided. The effective application of legislation making school attendance compulsory is of special significance for working youth in urban areas. In the first place, experience has proved that minimum age laws have little practical meaning unless they are complemented by legislation requiring all children below the legal age of admission to employment to attend school; for in the absence of such legislation, the tendency is either for such children to accept employment outside the scope of the law - and thus to exclude themselves from redress against exploitation - or to fall into delinquent habits. A second reason is that a diminishing number of jobs are open to the illiterate; and, thirdly, some degree of education is indispensable for the acquisition of technical skills.

(c) The Development of Vocational Training Facilities in Urban Centres.

If accelerated training is indispensable for improving the skill of adult workers, this type of training must never be allowed to replace training facilities provided in vocational schools or through apprenticeship. It is only the latter which can enable provision to be made for the future needs for skilled workers of the different branches of the national economy. An important part of ILO's technical assistance programme is devoted to the establishment and development of training facilities of this kind. Efforts have in particular been concentrated on the introduction of modern apprenticeship schemes in industry, on the development of instructor training facilities and vocational schools and centres, including in some cases the supply of equipment.

/Nevertheless, in

Nevertheless, in order for these facilities to fulfil their role, their development must be organized on a very well planned and co-ordinated basis. To date this has hardly ever been the case.

The general practice in economically underdeveloped countries has been to initiate training programmes purely on an ad hoc basis, either to meet a particular emergency, such as the influx of refugees into the cities of India and Pakistan, or to meet the requirements of a particular industry or trade. In the latter instance, the principal method of instruction has been by means of apprenticeship, which theoretically offers vocational instruction in return for services within the undertaking. There is some evidence, however, that employers tend to demand too much production work from their apprentices, who continue to be paid at learner's rates and who receive no, or too little, regular or systematic training. The conditions of apprenticeship vary widely from undertaking to undertaking: in many cases wages are disproportionately low and/or are payable largely in kind, and frequently the term of apprenticeship is unspecified. With the increasing urbanization of the Asian region, there is need for apprenticeship legislation, which will not only increase the extent and improve the content of apprenticeship training, both in industry and in commerce, but also guarantee fair conditions for the apprentice during his term of training.

Free schools for vocational education are usually a comparatively late development in the vocational training pattern, and are of course costly to maintain. Nevertheless, such schools are becoming increasingly necessary. Fee-charging schools, whether they provide evening courses or courses requiring full-time attendance, may meet the needs of the small percentage of educated persons who can afford in-school instruction. But the increase in the complexity of technology and the growth of a network of primary and secondary schools need to be accompanied by a development of the vocational school system.

The development of vocational schools must not be limited only to an increase in their number and capacity. The type of training given must be closely allied to the needs of countries in the throes of economic evolution. In such a period of evolution it is likely that the greater

/number of

number of undertakings will not be in a position to set up apprenticeship systems with modern training programmes and methods. It is also likely, in most of the countries of Asia, that for many years to come the standard of education of the great mass of young persons of school-leaving age will not be high enough to permit the straightforward application of programmes and training methods which have been successfully applied in countries long since industrialized. It will therefore be necessary to develop a kind of pre-vocational education and basic vocational training relating not to highly specialized trades and occupations but to broad groups of trades. Such training, spread over one or two years, should be followed by a period of more or less advanced specialization in schools or in the undertaking.

As has been shown in the section on the problems connected with the employment of women, it is particularly important in the development of vocational training facilities not to lose sight of the needs of future women workers. Hitherto efforts in this direction have been directed mostly to training for handicraft trades traditionally carried out by women (such as sewing, weaving, and embroidery) and only sporadic attempts have been made to vary the trades taught to the women and thus to widen the employment opportunities open to them so as to include decently remunerative employment in industry and commerce. Further efforts in this direction are undoubtedly necessary.

(d) Employment Services. The possibility of influencing the exodus of rural populations towards the towns by making available to such people reliable information on employment prospects and working conditions in the towns has already been referred to. It will be necessary to create bodies capable of collecting such information, on a local or regional basis if not at the national level, and to organize systematically the dissemination of the information to the persons concerned. An employment service is often in the best position for collecting and disseminating such employment data. Today several countries of Asia are trying to give their

employment services the means necessary for developing their information and vocational guidance services. But if the employment services are able to influence the flow of peasants towards the towns by making information available to the migrants, they are also in a position to warn the competent public authorities of specially large migratory movement of peasants to the towns and to encourage the authorities to make plans for undertaking appropriate measures - public works, housing developments, etc. - to meet the situation.

It may be necessary, in addition, to supervise very closely the activities of the middlemen and other agents who undertake to bring workers to the towns and to find them employment. These middlemen sometimes exact exorbitant commissions and fees or commit other abuses when they undertake, in addition, to provide various supplementary services.

Within the employment service, it may be useful, moreover, to initiate special simplified processes which will allow the vast numbers of requests from unskilled workers seeking temporary jobs to be dealt with speedily. In India this method, which would help in a large measure to eliminate exploitation by middlemen of this kind of manpower, has been advocated by the Training and Employment Services Organization Committee. In Japan the placement of unskilled persons seeking temporary employment is an important function of the employment service and a special section of the service has been created which keeps its own statistics and records. To assist the countries of the ECAFE region to achieve these objects, technical assistance by the ILO has included projects in a number of countries on employment service organization and employment information programmes. Particular emphasis is being placed on employment information and its dissemination, as probably the most important function of the employment services at the present time.

/(e) Conditions of

(e) Conditions of Employment and Social Legislation.

Finally, the manpower which has migrated from rural areas will not be stabilised unless the workers receive adequate remuneration allowing them, without loss of security, to abandon their ties with the country and to make for themselves and their families a new life in the towns in which they are employed.

In this connection, "Labour and social legislation, with standards adapted to national conditions, has its part to play in making for an efficient and stable labour force in urban areas. There is often a very special need to provide basic forms of protection in order to prevent exploitation of newcomers from rural areas who are wholly unfamiliar with urban life and industrial work. Wage protection is always important. Child labour must be regulated. Hours limitation may be necessary in some cases or for some groups. Payment for weekly rest, provided the worker has been present during the six preceding days, and paid holidays may encourage workers to remain in employment and often help to reduce absenteeism. Industrial welfare services may be particularly important where general social services do not or are not well developed. Labour inspection has a highly significant role to play in preventing the abuses so often associated with the early stages of industrialization and in drawing attention to conditions requiring improvement as development advances. Competent labour administrators can often anticipate the problems likely to arise and do much to see that their solution is sought in good time."[1]

/Part II

1/ ILO : Report of the Director-General, op. cit., pp. 81-82.

Part II - PROBLEMS OF PRODUCTIVITY AND EMPLOYMENT POLICY

26. Measures thus far discussed, important as they are, aim primarily at improving the qualifications and employment opportunities open to workers within a given economic framework. Though they may make important contributions to economic growth and progress, this is not their primary objective. Even if workers had a more settled mode of life and a higher level of skill, and even if employment services in the region were more highly developed than they are, poverty and insecurity for many, if not most, workers in the region would continue to pose most urgent problems at present levels of economic development. Problems of economic development, of productivity improvement and of employment policy derive no small part of their urgency precisely from the rapid growth of urban populations. It is no part of the purpose of this paper to attempt to compare rural and urban standards of living. Statistical comparisons frequently suggest that the real incomes of urban workers, miserably low as they commonly are, are typically higher than those of rural workers. This may be so. But the adequacy of incomes must be judged not in absolute terms but in relation to needs and wants. Urbanization creates new wants - for housing, education and other social services as well as for a wide range of consumers' goods. The maintenance of an urban family at a minimum level of decent subsistence makes greater demands upon the resources of the community than does the maintenance of a rural family at a corresponding level. Not the least important aspect of this problem is the need for providing for urban workers effective new forms of security to replace those more primitive arrangements in rural communities which, while never intended to deal with the risks and hazards of a modern economy, do for the most part ensure that while there is food nobody starves.

/27. If urbanization

27. If urbanization is not to create new wants more rapidly than industrialization creates the means for satisfying them, it is therefore imperative that urbanization should be accompanied by a rapid growth in industrial productivity and employment. Limitations of space make it impossible in this paper to discuss problems of employment policy except insofar as they are related to problems of raising productivity. Aspects of employment policy which are not discussed here, notably the question of what can be done to mobilize domestic savings and foreign sources of capital with a view to providing additional employment opportunities, are of course of great importance in connection with the problems of urbanization.1/

Productivity and Economic Development

28. No comprehensive treatment of this enormous subject can be attempted in this paper. In the following paragraphs attention is concentrated upon certain aspects of this subject which fall within the field of competence of the ILO and in respect of which it has acquired a certain experience through its technical assistance programme - notably problems confronting managements and workers within individual plants.2/

/29. The rationale

1/ See UNITED NATIONS: Measures for the Economic Development of Underdeveloped Countries (New York, 1951) and ILO: Action Against Unemployment (Geneva, 1950), Chapter VII. Reference may also be made to a forthcoming article in the International Labour Review which will discuss the role of employment policy in economic development.

2/ For fuller discussions of some of the matters dealt with in the following paragraphs reference may be made to a Note on the Functions and Nature of Productivity Programmes, prepared by the ILO for the first meeting of the Working Party on Economic Development and Planning of the Economic Commission for Asia and the Far East (Oct.-Nov. 1955), and to a working paper on The Role of Labour in Programmes for Increasing Productivity and Measures Needed to Safeguard the Interests of Workers (Document E/2240, 22 may 1953) prepared by the ILO for the 16th Session of the Economic and Social Council.

29. The rationale of increasing productivity is that if the amounts of capital, materials and labour of various skills used up in the production of a given volume of output can be reduced, the resources thus saved can be applied to the production of additional goods and services; insofar as the savings are made in respect of capital and raw materials, increased productivity has the same effect as capital formation through the limitation of consumption. But whereas the latter form of capital formation normally involves a sacrifice on the part of consumers (which is specially important at the low levels of income in Asia and the Far East), the former method usually does not.

30. The general effect of improved productitivy thus is the alleviation of shortages in order th achieve larger output and income. This should be widely distributed throughout the community in the form of higher earnings, lower prices and/or improved working conditions. Particularly when the utilization of manpower is limited by lack of capital (as it is in Asia and the Far East), increased productitiby is also a means of providing new employment opportunities.

31. In countries with surplus labour, the principal contribution of improved productivity to economic development has to do with the utilization of capital equipment which, when properly employed, can be utilized (a) more intensively, (b) over a long period, and (c) with a minimum of avoidable waste of materials and human skill and effort. Since the actual utilization of the nation's resources is largely in the hands of public and private managers, the achievement of these objectives requires, in the first place, improved methods and standards of management. The introduction and diffusion of sound principles of modern management and industrial engineering are main objectives of programmes to raise productitivy. Relevant techniques include the establishment of an appropriate organizational and personnel structure of the firm or plant, adequate production planning and control, proper methods and conditions of work, and a system of human

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relations and incentives calculated to ensure that plans and prescriptions are properly carried out by all concerned. Productivity is not simply a matter of techniques but also a question of mentality. Successful application of the techniques depends not only on knowledge of their existence but just as much on attitudes favourable to the raising of performance at all levels of the organization, among management as well as in the supervisory and operative ranks.

32. It is felt that this approach contains a large part of the answer to an objection which is sometimes encountered in Asian countries, namely, that in over-populated areas there is not much room for productivity improvement because higher productivity would entail further aggravation of an already serious unemployment problem. This comment would be valid if higher productivity were to be achieved solely or mainly by reducing the amount of labour needed to produce each unit of output. Labour productivity in this sense is a widely used statistical concept which, provided there is full employment of labour, serves the purpose of measuring approximately the effectiveness of the production process as a whole. When there is a high level of employment, as in industrially advanced countries, there is likely to be some correlation between output per man-hour and the over-all effectiveness of production. But even in countries where there are no problems of structural unemployment the actual improvement of productivity is dependent on measures to improve the utilization of capital equipment and raw materials at least as much as on the introduction of labour-saving techniques. In Asian countries, it is necessary to emphasise the utilization of capital-saving techniques; this, however, is largely a matter of emphasis. It does not fundamentally affect the general applicability of modern methods of industrial engineering also in these countries.

33. If widespread unemployment and underemployment exist, a reduction in labour requirements in current production does not normally constitute any substantial economic advantage, unless the labour saved is of a type which is in scarce supply. It is recognized that to the entrepreneur a reduction in wage costs will be as advantageous as any other cost reduction.

/But for the

But for the community as a whole a reduction in the demand for and employment of labour for which there are no effective alternative uses is of no economic advantage[1] and may involve great hardship for many people and serious strain in the social fabric as a whole. The emphasis in Asian countries should be on measures carried out in agreement between management and labour, with or without some form of government encouragement, to enable industry to improve productivity through better utilization of scarce resources, while avoiding economically doubtful and socially hurtful reductions in labour requirements. As indicated below, the scope for productivity improvement work along these lines is quite substantial.

34. The place of productivity programmes within a general framework of planning and policies for economic development might be defined as follows: first, although productivity improvement is not dependent on the existence of a comprehensive plan for economic development, its contributions may be larger if there is such a plan. The programme can then be linked to specific targets in respect of the production of particular commodities, goods or services, and may be directed specifically at an increase in output intended to overcome bottlenecks in manufacturing output in large-scale as well as small-scale industries, transport (harbours, railways, etc.), mining or agriculture.

35. The question arises as to what quantitative contributions programmes to raise productivity may be expected to make towards an increase in production. Since relatively little work has been undertaken so far in this field in the ECAFE region, it is impossible to give any global estimate. In a recent case it proved possible to increase the output in an Asian textile spinning plant within a few weeks and without any capital investment by as much as 30 per cent. In certain operations in Asian engineering works, much larger percentage increases have been achieved.

/36. In general,

1/ Except to the extent that it reduces the requirements of scarce resources such as managerial skills and factory or office accommodation.

36. In general, observations made by ILO productivity experts in India, Pakistan and in certain countries in the Near and Middle East suggest that in a large proportion of manufacturing industries very substantial increases could be made in the life and effective working time of expensive equipment, and that the degree of waste in the physical effort of workers, in materials and in deficient work could be reduced considerably. It is likely that the capacity of existing transport facilities, which in many cases are bottle-necks holding up regional development, could be significantly raised if better use were made of available plant, rolling stock etc., and if equipment were more carefully handled and maintained.

37. It would be useful to collect on a systematic basis information regarding the present state of productivity in a few important sectors of Asian industry and the scope for its improvement. To this end it would be necessary to establish standards of performance which could be reasonably attained in the particular circumstances of the firms or industries investigated, and to compare actual performance with these standards. The measurement of performance should be concentrated on capital productivity rather than on output per man-hour. ILO productivity missions have made studies in a number of plants of the effectiveness with which machines and other equipment are utilised and have found such studies to be of assistance in their work. International comparisons of productivity between industries which differ in many economic and technical respects are not likely to produce an adequate return for the effort invested in such investigations.

38. Of the many instruments which may be used in order to raise productivity, the most important in Asian countries maybe the development, with government aid, of educational and consulting facilities as described in the paragraphs below. In addition, however, it maybe worth while to explore the possibility of taking certain measures to provide an incentive for the adoption of better management techniques, for example, by providing that firms submitting evidence of an improved or high level of performance should be given preferential treatment in matters over which the government has some measure of control (credit, import licences, etc.).

Nature and Cost of Productivity Programmes

39. As mentioned above, a main objective of productivity programmes is the introduction and diffusion of modern management and industrial engineering techniques. The main phases in which this objective may be attained are (a) demonstration to labour and management of the mutual advantages and practical possibilities of improving productivity through the application of such techniques, (b) provision of training facilities and of consulting services in order to meet the demand for professional skills in the field of productivity created in the first phase. ILO technical assistance projects in the field of productivity are usually shaped in accordance with this basic pattern.

40. It is important to note that productivity work is more fruitful if carried out in response to and in accordance with felt needs. Also, prefabricated courses are less effective than programmes carefully adapted to special needs developed in particular industries or areas after management and labour have been convinced, mainly through practical demonstrations, of the need for and possibilities of improvement.

41. Both demonstration and the development of training and consulting services require a nucleus of highly qualified personnel. This, plus a fairly liberal investment in instructional material (literature, films, etc.), are the main items of cost involved in productivity programmes. They should normally yield a high return, provided the work is undertaken on a broad front and, in view of the different interests involved, with a good deal of patience and tact.

42. While a successful productivity programme might soon become financially self-supporting, government financial aid is usually needed in the initial stages, when management and labour still have to be convinced of the mutual advantages of higher productivity. The technical skills required for the initiation of productivity programmes may be obtained by way of international technical assistance. Such assistance is being given

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by the ILO to a number of countries under the Expanded Technical Assistance Programme.

43. The organization required for the training of local personnel depends, of course, on national and industrial conditions. More advanced education may be given at the university level (for those holding or intended for responsible posts in industry) through the introduction of curricula in industrial engineering and business administration for engineers, industrial economists and other managerial personnel. Outside the regular teaching programmes of universities, technical colleges etc., courses may be organized for high and medium rank non-graduates in industry. Training facilities will usually also be needed for trade union personnel, for supervisors and for technicians specializing in particular subjects such as work study, rate fixing, etc. A special problem is that of small-scale industries; here, readily accessible training facilities (i.e., facilities suitably located geographically and adjusted to the special needs of the small entrepreneur) as well as reliable and cheap consulting services are required.

44. In several European countries it has been found useful to establish joint organizations, with employers' and labour participation and government support, to organize productivity campaigns; to help labour and management in finding a common basis and interest in higher productivity; to promote the provision of educational and training facilities on the basis of consultation between industry, universities and schools; if necessary, to conduct certain courses and, in certain cases, to provide direct consulting services to individual firms or industries. Briefly, such institutions, often called "Productivity Centres", stimulate the drive to increase productivity and coordinate the work of existing institutions and organizations whose activities are relevant to higher productivity. The ILO has assisted in the establishment and provided the initial staff for similar institutions in a number of underdeveloped countries.

/ The Role of

The Role of Workers in Productivity Programmes

45. As has been suggested above, programmes to raise productivity will make little headway without the support and co-operation of workers. It is true that when workers are poor, weak, ignorant and apathetic or even hostile, it may be possible by subjecting them to various pressures to push them a certain distance along the road to higher productivity - but only by working against a heavy tide of active or passive resistance which may in time have fatal results. If the co-operation of workers can be secured, so that managements and governments are working with the tide and not against it, the same amount of effort can lead to incomparably greater results. The only honest and effective way to secure the co-operation of workers is to ensure that they receive a fair share of the benefits of higher productivity.[1/] This is necessary not only as a means of securing the co-operation of workers; it is also an end in itself. Out of the savings in costs yielded by more efficient methods of production it is possible to pay higher wages and still have a margin in hand which can be used for new capital investment or for reducing prices to consumers. It is also possible, (a) by giving priority to efforts to raise productivity in those sectors of the economy where additional output cannot merely be absorbed but is required in order to provide additional employment opportunities elsewhere, (b) by placing the emphasis on developing managerial skills and on saving scarce capital and materials rather than labour, and (c) by taking trouble to reabsorb displaced workers in other plant departments which are expanding or where vacancies arise as a result of normal labour turnover, which is very high in most Asian countries, to go a long way towards meeting the natural fear of workers that higher productivity will lead to unemployment.

46. Other requirements for encouraging the co-operation of workers in programmes to raise productivity and for safeguarding their interests include explanations and consultations with workers' leaders.

/ 47. The least

1/ See ILO: Higher Productivity in Manufacturing Industries (Geneva, 1954), pp. 24-31.

47. The least that management can do is to make sure that workers and their representatives are given adequate information about the firm in which they work, about any changes which management proposes to introduce, and especially about those aspects of such changes which are of direct interest to the workers (effects on conditions of work and employment, etc.). The reasons for such changes need to be explained in terms suitable to the understanding and level of education of the workers.

48. One-way communication, however, is not joint consultation. It suffers from the disadvantages, firstly, that information provided is not always understood unless it is discussed and misunderstandings are cleared up, and secondly, that the workers are merely informed of what is going on without being given any opportunity to formulate views and comments. There is a growing realization that channels of communication, if they are to serve their purpose effectively, must carry two-way traffic, orders and explanations going down the ranks while information, grievances and opinions come back by some agreed procedure.

49. Individual workers can be given further opportunities for self-expression and participation by means of suggestion schemes. An ILO Meeting of Experts on Productivity in Manufacturing Industries reported that -

> The knowledge and experience which workers have of actual working conditions, of materials, equipment and handling, are of great value. Full advantage should be taken of this knowledge and experience. Favourable consideration should be given to the institution of suggestion schemes under which suitable payments are made, having a reasonable relation to the benefit accruing to the undertaking as a result of suggestions received. Valuable results have been obtained by associating suggestion schemes with programmes for training workers in methods of increasing productivity and by encouraging them to formulate suggestions on specified points. 1/

50. Another form of worker participation in measures to raise productivity to which growing attention has been given in recent years is that workers'

/ representatives

1/ ILO Higher Productivity in Manufacturing Industries, op. cit. p. 187.

representatives may be given the opportunity to participate in the technical processes of work study and rate fixing. This will be discussed at greater length below.

51. These kinds of co-operation do not necessarily require the setting up of formal joint machinery. The establishment of such machinery may, however, be the best way of ensuring regular two-way communication, handling suggestion schemes, and developing other forms of co-operation. In many countries there has been in recent years a remarkable growth of special machinery - works committees or councils, joint production committees, labour-management committees - for consultation and co-operation between workers and management in the undertaking.[1/]

52. Those who believe that participation in machinery of this kind, while possibly desirable for workers in highly developed countries, is beyond the capacity of workers in under-developed countries, are apt to overlook the educative possibilities of such participation. There is no better way of helping workers' leaders to acquire an understanding of administrative problems and a realistic and responsible outlook than by enabling them to examine jointly with management, and with full knowledge of the essential facts, the real problems confronting the undertaking in which they work. There is an urgent need in the countries of the ECAFE region to increase the number of workers possessing the training in administrative problems and the qualities of leadership which can be acquired through such participation and through workers' education.

53. While labour-management consultation and co-operation are desirable in connection with a wide variety of problems associated with increasing productivity - such as the innovations to be introduced, how they are to be applied, and procedures for dealing with problems of redundancy and regrading and for sharing the benefits of higher productivity - they are nowhere more essential than in connection with problems of working conditions and workloads.

/ 54. Many workers

1/ See ILO Co-operation in Industry, Geneva, 1951. A number of countries have requested and received technical assistance from the ILO in connection with industrial relations.

54. Many workers regard measures to raise productivity with apprehension, not only because of fears of unemployment, but because they tend to identify such measures to speed up work and increase workloads. This identification, for which faulty application by some managements of techniques to raise productivity must be held partly responsible, is most unfortunate, for it is not primarily by calling upon workers to make greater efforts that productivity can be increased. If the productivity of labour in United States industry is two or three times as high as in Europe, nobody imagines that this means that American workers work two or three times as hard as European workers.

55. A reasonable employer will not wish to get more than a fair day's work out of his workers, and it will not be in his long-term interests to try to do so. What constitutes a fair day's work is not, it is true, always easy to establish, especially when methods of production are changing. Techniques of work measurement are, however, now available which, especially for repetitive work, do make it possible to reduce to fairly narrow limits differences of opinion as to the amount of work that can normally be done in a given time. The attitudes of workers and trade unions towards time study and other techniques of work measurement are undoubtedly coloured by the fact that exaggerated claims have sometimes been made regarding the accuracy of these techniques, which have, moreover, sometimes been applied in a slipshod or even dishonest manner. Yet -

> Time study, applied fairly and correctly under joint consultation, not only protects the worker but shows up inefficiencies in management and techniques and is an essential aid to modern methods of costing. 1/

56. It is, however, of the greatest importance that workers' representatives should have the opportunity to question and check time studies, especially if there is any risk that workers may be called on to work at a pace which causes undue fatigue.

/ 57. One obvious

1/ Anglo-American Council on Productivity: Internal Combustion Engines, London, 1950, p. 49.

57. One obvious difficulty is that this requires technical qualifications which the ordinary workers' representative, even in highly developed countries and still more in under-developed countries, does not possess. Whence the importance attached, in ILO technical assistance missions, to the training of workers' representatives, along with management officials, in techniques of work study.

58. Effective joint consultation, of course, pre-supposes a certain measure of stability in the labour force attached to individual undertakings. For reasons examined in the first part of this paper many undertakings which offer wage-earning employment in the ECAFE region rely largely upon migratory workers who retain their links with their villages and return to them after spells of wage-earning employment. This, of course, is not always a matter of policy or deliberate choice; it is often the only way to get labour. The employing concerns do, however, normally have a certain scope for policy decisions. They may be content to continue to rely on migratory labour, or they may make deliberate efforts to retain a larger nucleus of permanent workers by providing opportunities for training and advancement, and facilities for workers' families, including housing, education for children etc. Insofar as reliance upon migratory labour is a matter of deliberate policy it may be supported on the grounds that the transition for the worker is thus rendered less sharp and painful, that his traditional social relationships continue to provide security, that he can combine seasonal work on the land with other work in the off-season, in short that his whole way of life is not suddenly disrupted. Yet migratory labour is not only inefficient on account of the high labour turnover and the need continously to recruit and train new workers. The worker, shuttling back and forth between two modes of life, may in fact make a satisfactory adjustment to neither. He can certainly acquire little or no interest in increasing productivity in the undertaking in which he works. And the expectation that he will not stay discourages efforts to train him for work which might give him such an interest. There may be no practicable alternative for many years to come to

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a continued widespread reliance upon migratory labour in many countries of the region. But there is strong support for the view that, in general, this should be no more than a transitional phase in a country's economic development,[1] and that it should be an aim of policy, on the part both of governments and managements, to provide conditions and inducements which will attract a permanent and stable labour force to undertakings in the wage-earning sector of the economy.[2]

59. Effective co-operation in programmes to raise productivity also requires a certain minimum of general education on the part of workers. This is necessary before workers can begin to think in terms of the concepts, and respond to the incentives and inducements, associated with higher productivity. It is necessary if they are to be able to recognize and defend their own interests in programmes for raising productivity. It is necessary also as a basis for any but the most elementary vocational training.

60. Finally, without the strength and cohesion which a free and strong trade union movement gives them, workers can have no assurance that they will receive a fair share of the benefits of higher productivity. Moreover, experience in highly developed countries has demonstrated that trade union

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1/ Save perhaps to the extent that unavoidable seasonality in agricultural employment may necessitate the continuance of some seasonal migratory movements. The extent to which such migratory movements may continue to be necessary will depend, among other things, upon how far it may prove possible to establish or develop rural industries providing off-season employment.

2/ Cf Wilbert E. Moore: Industrialization and Labour, Cornell University Press, 1951, p. 118: "The assumption, in India, Africa and elsewhere, that the urban labourer remains attached to his village is itself a handicap to the development of policies respecting urban conditions. The responsibility for permanent living quarters, sanitary standards, and elementary economic security has been left to the native villages. This had had the dual effect of slowing economic transition and of reducing the likelihood that the worker will be positively orientated toward the new form of economic activity."

leaders, if they are themselves convinced of the importance of higher productivity in the interests of those whom they represent, can play an indispensable role in educating other workers to accept changes which would otherwise appear to be unacceptable.

61. A free and strong trade union movement can only arise as a spontaneous growth, which takes time and normally requires some degree of industrial development. This growth can, however, be facilitated or hampered by the policies of governments and managements. Obstacles to sound trade union organization are greatest among the ignorant and among migratory workers. Education and efforts to stabilize the labour force favour the growth of trade unionism. The enactment and enforcement of appropriate legislation is also of the highest importance.

SUMMARY AND CONCLUSIONS

62. (a) It is characteristic of workers who are abruptly transplanted from rural to urban areas, particularly if (as is frequently the case in the ECAFE region) the transition is from a more or less primitive subsistence economy to a technologically more advanced exchange economy, that they lack stability, that they have difficulty in adapting themselves to urban conditions, that they have no training for or experience of industrial work, and that their productivity is very low.

(b) The conditions in which they are housed, and the social services available in the towns, are usually very inadequate, and there is usually a surplus of unskilled labour in urban labour markets.

(c) Policy measures must take account as fully as possible of the characteristics and requirements of the male and female workers concerned, and of the special requirements of juveniles.

(d) Various measures in the field of manpower policy may contribute towards a solution of the problems discussed. Short-term measures include arrangements for diffusing in rural areas accurate information concerning living and working conditions and employment prospects in the towns, and the provision of facilities for accelerated vocational training for workers who come to the towns. Longer-term measures include (i) expansion of the rural and urban school systems and a re-orientation of school curricula, with greater emphasis on practical vocational

/ or pre-

or pre-vocational training, so as to equip children better for the conditions which will confront them in urban labour markets; (ii) the development of vocational training facilities in urban centres; (iii) extension of the activities of employment services; and (iv) regulation of conditions of employment through the adoption and enforcement of appropriate social legislation.

(e) If urbanization is not to create new wants more rapidly than industrialization creates the means for satisfying them, it is imperative that urbanization should be accompanied by a rapid growth in industrial productivity and employment. Measures in the field of manpower policy therefore need to be devised and applied as integral parts of more general policies aiming at economic development and higher levels of productivity and employment.

(f) There is considerable scope for improved utilization of resources in existing and newly developed industries in under-developed countries through the application of modern methods of management.

(g) Improved productivity can be made to contribute to capital formation and to the expansion of employment opportunities.

(h) Since higher productivity has a direct impact on and depends on the support of both labour and management, productivity programmes should, in the first stage, seek to secure the interest and support a common basis for mutually advantageous action.

(i) Secondly, productivity programmes should be instrumental in providing a broad range of educational and consulting services.

(j) Joint "Productivity Centres", with government support, can usefully serve as focal points for the organization and execution of productivity programmes.